

 <div style="text-align: center;"> Financial Assistance Award DENALI COMMISSION 510 L Street, Suite 410 Anchorage, Alaska 99501 (907) 271-1414 (phone) (907) 271-1415 (fax) www.denali.gov </div>		Award Number	01489-00		
		Award Title	Kipnuk Bulk Fuel Facility Upgrade		
		Performance Period	January 11, 2016 through December 31, 2019		
Authority 112 Stat 1854	CFDA Number 90.100	Recipient Organization & Address Alaska Energy Authority 813 W Northern Lights Blvd Anchorage, AK 99503-2407			
Denali Commission Finance Officer Certification		Phone: 907-771-3000 Recipient DUNS # 054072608 TIN # 926001185			
Cost Share Distribution Table					
Accounting Code	New Funding		Prior Period Funding		Total
	Denali Commission	Other Contributors	Denali Commission	Other Contributors	
95670000	\$1,006,985.00		\$0.00		\$1,006,985.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
State of Alaska		\$5,962,285.00		\$0.00	\$5,962,285.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
Total	\$1,006,985.00	\$5,962,285.00	\$0.00	\$0.00	\$6,969,270.00
This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission constitutes an obligation of federal funding.					
Signature of Authorized Official - Denali Commission Electronically Signed		Typed Name and Title Mr. Joel Neimeyer Federal Co-Chair		Date 05/04/2016	

AWARD ATTACHMENTS

Alaska Energy Authority

01489-00

1. Award Conditions
2. Attachment A

**Financial Assistance Award Terms and Conditions
Between the Denali Commission and Alaska Energy Authority
For Kipnuk Bulk Fuel Facility Upgrade
Award No. 1489**

1. Project Summary

- a. Scope of Work: Construction of a new bulk fuel storage facility in Kipnuk, Alaska.
- b. Deliverables: Completed bulk fuel facility.
- c. Budget: The Commission is making \$1,006,985 available for the project via this Financial Assistance Award (FAA). This amount includes all direct, indirect, and pre-award costs (if any) authorized pursuant to 2 CFR 200.458. Other partners on the project include the State of Alaska, who in total is contributing an additional \$5,962,285. All Commission funding is intended to be used for the scope of work identified in this FAA only. Any funds remaining after the full scope of work has been completed shall be returned to the Denali Commission consistent with 2 CFR 200.319.
- d. Delivery Method: AEA will perform some work with in-house resources and utilize design and construction contractors for the remainder.
- e. Performance Period The Period of Performance for this FAA is January 11, 2016 through December 31, 2019. In accordance with 2 CFR 200.309 Recipients can only incur obligations or costs against this FAA during the Period of Performance, unless specifically authorized in the Special Provisions (Section 14 of this document). If a project cannot be completed within the approved Period of Performance, an extension request must be made in accordance with the Commission's *Recipient Guidelines and Requirements* (RGR) document dated July 2015, available at www.denali.gov.

More detailed information on scope, deliverables, budget, project delivery method and/or management plan, and schedule are included in Attachment A dated April 29, 2016.

2. Project Reporting and Commission Site Visits

Progress reports and a close-out report are required under this FAA. Progress Reports shall be submitted at the frequency stipulated in the Special Provisions. The Closeout Report shall be completed within 90-days of the end of the Period of Performance. All reports must be submitted using the Denali Commission's on-line Project Database System, available at www.denali.gov/dcpdb.

Commission staff or agents of the Commission may make visits to the project site and/or home office to monitor progress during and/or after the Period of Performance. The Recipient shall coordinate and make information available as necessary to facilitate any such site visits.

Refer to the *Recipient Guidelines and Requirements* document for further information related to reports and site visits.

3. Payments

Payments under this FAA will be made in accordance with 2 CFR 200.305 by electronic transfer in response to a Standard Form 270 (SF-270) "Request for Advance or Reimbursement", submitted by the Recipient. If Pre-award Costs and/or Advance Payments are authorized under this FAA, the Special Provisions will indicate so. Requests for reimbursements may be made as needed. Refer to the *Recipient Guidelines and Requirements* document for further information about submitting SF-270's.

4. Modifications

In accordance with 2 CFR 200.308, the Recipient shall report deviations in project scope, budget, delivery method, management plan, schedule, or changed site conditions to the Program Manager. The Recipient shall also submit written requests to the Program Manager for the replacement of Key Staff identified in the Special Provisions. Refer to the *Recipient Guidelines and Requirements* document for further information about modifying a Financial Assistance Award.

5. Financial Management, Record Keeping, Internal Controls, and Audits

The Recipient must have financial management and record keeping systems that are consistent with 2 CFR 200.302. If the Recipient is a State organization it must expend and account for FAA funds in accordance with applicable State laws and procedures for expending and accounting for the State's own funds.

The Recipient must establish and maintain effective internal controls with respect to this FAA that are consistent with 2 CFR 200.303.

In accordance with 2 CFR 200.501, Recipients that expend \$750,000 or more of federal funds in a year shall have a single or program-specific audit conducted for that year.

Refer to the *Recipient Guidelines and Requirements* document for further information about financial management, record keeping, internal controls and audits.

6. Direct and Indirect Costs

All direct costs must be allowable and reasonable. Indirect costs must be allocable based on accepted accounting policies and practices. Indirect costs must be specifically included as a line item or identified with appropriate notes in the approved FAA budget. Refer to 2 CFR 200 Subpart E (Cost Principles) and the *Recipient Guidelines and Requirements* document for further information on direct and indirect costs.

7. Sub-Awards and Contracts

All sub-awards and contracts issued by the Recipient under this FAA must comply with 2 CFR 200.331 and Appendix II to 2 CFR 200. Refer to the *Recipient Guidelines and Requirements* document for further information on this subject.

8. Acknowledgement of Support

The Recipient shall display a sign that acknowledges the Government's support for construction project(s) supported in whole or in part with Denali Commission funds. The Recipient shall include the Denali Commission as a financial contributor and project/program partner in all media correspondence related to all project(s) supported by the Denali Commission. Refer to the *Recipient Guidelines and Requirements* document for further information on this subject.

9. Real and Personal Property

In accordance with 2 CFR 200.311, 313, and 316 the Denali Commission may require the Recipient to execute a security interest or other public notice of record to indicate that real or personal property acquired or improved, in whole or in part, with Federal funds is subject to a Federal interest. Any such requirements under this FAA, including post project reporting in accordance with 2 CFR 200.329, will be stipulated in the Special Provisions.

10. Conflict of Interest

In accordance with 2 CFR 200.112, the Recipient must disclose in writing any potential conflicts of interest to the Commission. In addition, 2 CFR 200.318 requires that Recipients maintain written standards of conduct covering conflicts of interest and governing the performance of their employees engaged in the selection, award, and administration of contracts. Refer to the *Recipient Guidelines and Requirements* document for further information on this subject.

11. Denali Commission Policies

Recipients may be required to comply with certain published Denali Commission policies. Any such requirements under this FAA will be stipulated in the Special Provisions. Refer to the *Recipient Guidelines and Requirements* document for further information on individual policies.

12. Laws and Regulations

Recipients are required to comply with all applicable Federal laws and regulations. General categories of potentially applicable laws and regulations are summarized below. Refer to the *Recipient Guidelines and Requirements* document for further information on specific laws and regulations that may apply.

- a. Debarment and Suspension
- b. Whistle-blower Protection
- c. Non-Discrimination
- d. Lobbying and Propaganda
- e. Environmental
- f. Drug-Free Workplace
- g. Travel
- h. Human Rights
- i. Animal Welfare
- j. Executive Compensation

13. Other Provisions

- a. The United States expressly disclaims any and all responsibility or liability to the Recipient or sub-recipients for the actions of the Recipient or sub-recipients resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this FAA, including sub-awards, contracts, or sub-contracts issued in connection with this FAA.
- b. To the maximum extent practicable, considering applicable laws, the Recipient shall accomplish the project contemplated by this FAA using local Alaska firms and labor.
- c. All terms and conditions contained in this FAA apply to any sub-recipient under this FAA.
- d. Failure to comply with the provisions of this FAA or maintain satisfactory performance may result in additional FAA conditions pursuant to 2 CFR 207. This includes but is not limited to: temporarily withholding of payments pending the correction of the deficiency; disallowance of project costs; wholly

or partially suspending or terminating the FAA. In addition, failure to comply with the provisions of this FAA may also have a negative impact on the Recipient's eligibility for future Federal awards.

14. Special Provisions

Progress Reports: Shall be submitted on a quarterly basis. The first reporting period is January 11, 2016 to June 30, 2016, and quarterly thereafter in accordance with the Commission's *Recipient Guidelines and Requirements*.

Pre-award Costs: Project related costs beginning January 11, 2016

Key Staff: Alan Feters, AEA Project Manager

Federal Property Interests and Reporting Requirements: Apply per 2 CFR 200.329. Reporting will be biennially, to begin at the end of the performance period.

Denali Commission Policies:

- Sustainability
- Cost Containment
- Competitive Bid

Bonds and Insurance: The contract awarded by AEA for construction of the bulk fuel facility will include payment and performance bonds per existing AEA policy. The Denali Commission shall be named as an Additional Insured on AEA's Liability Insurance Policy, as well as the Liability Insurance Policy of the General Contractor retained by AEA to construct the bulk fuel facility.

15. Program Manager, Financial Manager & Other Contact Information

Denali Commission	Alaska Energy Authority
Jodi Fondy Program Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: (907) 271-3011 Fax: (907) 271-1415 E-mail: jfondy@denali.gov	Kirk Warren Program Manager 813 W. Northern Lights Blvd. Anchorage, AK 99503 Phone: (907) 771-3000 Fax: (907) 771-3044 E-mail: kwarren@aidea.org
Corrine Eilo Chief Financial Officer	Amy Adler Financial Contact

510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-1414 Fax: 907-271-1415 E-mail: ceilo@denali.gov	813 W. Northern Lights Blvd. Anchorage, AK 99503 Phone: (907) 771-3013 Fax: (907) 771-3044 E-mail: aadler@aidea.org
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**Financial Assistance Award Terms and Conditions - Attachment A
Between the Denali Commission and Alaska Energy Authority
For Kipnuk Bulk Fuel Facility Upgrade**

- a. Scope of Work: Construction of a bulk fuel facility and associated infrastructure in Kipnuk, Alaska. The project includes fuel storage capacities of 220,500 gallons of diesel for the Native Village of Kipnuk and 217,500 gallons of diesel and 146,000 gallons of gasoline for the Kugkaktlik Limited. The new facility will replace the existing storage that is threatened by river erosion. AEA will prepare an Environmental Assessment for the project that is consistent with NEPA guidelines, the Commission's Recipient Guidelines and Requirements, and the Commission's proposed NEPA regulations published in the Federal Register on December 21, 2015. AEA will prepare all required permit applications needed for construction.

Construction activities may begin after Commission review and approval of the environmental documents. AEA shall secure all required construction permits and construct the new facilities.

- b. Deliverables:
- Draft Environmental Assessment
 - New bulk fuel facility
 - Final project report
- c. Budget: Project budget and funding information is summarized in the table on page 2. The Commission is making \$1,006,985 available via this Financial Assistance Award (Award).
- d. Delivery Method: Construction will be completed by a contractor selected through a competitive Bid/RFP process.
- e. Schedule: Procurement is scheduled to begin fall of 2016. The selected contractor will ship materials in 2017 and start construction in either 2017 or 2018. The project will be complete by 2019.

line	ITEM	BUDGET	FUNDING					
			Previous			This Action		
		Amount	Reference	Commission	Reference	AEA Match	Commission	AEA Match ^a
1								
2	CDR/Design	\$548,910	Part of Awards 0048 and 165	\$148,910	Part of Awards 0048 and 165	\$400,000	\$0	\$0
3	Construction	\$6,962,285	See note b	\$0	n/a	\$0	\$1,000,000	\$5,962,285
4	Indirect	\$11,452	See note c	\$4,467	Part of Awards 0048 and 165	n/a	\$6,985	n/a
5	Totals	\$7,522,647		\$153,377		\$400,000	\$1006,985	\$5,962,285
								\$7,522,647

6	Total Commission Funding For Project	\$1,160,362
7	Total Match For Project To Date	\$6,362,285
8	Grand Total	\$7,522,647

Total Award Amount
\$1,006,985

- a. AEA match must be at least 20% of Denali Commission construction funding; for this award the match is 86%
- b. AEA estimate per email 4/18/2016
- c. For this action, indirect is calculated at 10% of direct costs and 10% of subcontracts, up to the first \$25,000 per 2 CFR 200. AEA does not have a federally negotiated indirect rate